

Company No : 2140717 (England and Wales)

ACT PUBLISHING LIMITED

FINANCIAL STATEMENTS

31 JULY 1997



ACT PUBLISHING LIMITED

DIRECTORS AND OFFICERS

DIRECTORS

Mr SEE Loch
Mrs LMD Loch

SECRETARY

J Meyer

COMPANY NUMBER

2140717 (England and Wales)

REGISTERED OFFICE

2 Bloomsbury Street
London
WC1B 3ST

ACT PUBLISHING LIMITED

DIRECTORS' REPORT

The directors submit their report and the financial statements of Act Publishing Limited for the year ended 31 July 1997 .

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of recording, production and publishing of records and musical works

RESULTS AND DIVIDENDS

The trading profit for the year was £5,952.

The directors do not recommend payment of a dividend.

It is proposed that the retained profit of £5,952 is transferred to reserves.

DIRECTORS

The following directors have held office since 1 August 1996 :-

Mr SEE Loch
Mrs LMD Loch

DIRECTORS' INTERESTS IN SHARES

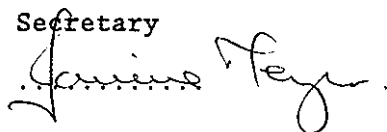
Directors' interests in the shares of the company, including family interests, were as follows:-

	Ordinary shares of £1 each	
	1997	1996
Mr SEE Loch	100	100
Mrs LMD Loch	-	-

By order of the board

J Meyer

Secretary



**ACCOUNTANTS' REPORT TO THE SHAREHOLDERS ON THE
UNAUDITED ACCOUNTS OF ACT PUBLISHING LIMITED**

We report on the accounts for the year ended 31 July 1997 set out on pages 3 to nn.

Respective responsibilities of directors and reporting accountants

As described on page 4 the company's directors are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.


Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- (a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).


BAKER TILLY

Reporting Accountants
Chartered Accountants
2 Bloomsbury Street
London
WC1B 3ST

26th May 1998

ACT PUBLISHING LIMITED

PROFIT AND LOSS ACCOUNT
for the year ended 31 July 1997

	Notes	1997	1996
TURNOVER	1	16,434	11,006
Cost of sales		596	2,088
Gross profit		15,838	8,918
Other operating expenses	2	10,230	10,781
OPERATING PROFIT/(LOSS)		5,608	(1,863)
Investment income	3	61	136
Other interest receivable and similar income	3	283	606
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		5,952	(1,121)
Taxation	5	-	-
PROFIT /(LOSS) FOR THE FINANCIAL YEAR	11	£ 5,952	£ (1,121)

The operating profit for the year arises from the company's continuing operations.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account.

ACT PUBLISHING LIMITED

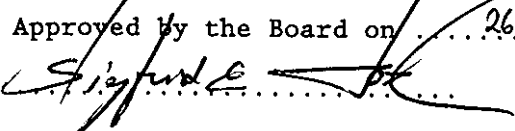
BALANCE SHEET

31 July 1997

	Notes	1997	1996
FIXED ASSETS			
Investments	6	570	570
CURRENT ASSETS			
Stocks	7	3,858	4,378
Debtors	8	24,994	1,796
Cash at bank and in hand		7,559	26,886
		<u>36,411</u>	<u>33,060</u>
CREDITORS			
Amounts falling due within one year	9	(71,425)	(74,026)
NET CURRENT LIABILITIES			
		<u>(35,014)</u>	<u>(40,966)</u>
		<u>£ (34,444)</u>	<u>£ (40,396)</u>
CAPITAL AND RESERVES			
Called up share capital	10	100	100
Profit and loss account	11	(34,544)	(40,496)
SHAREHOLDERS' FUNDS			
	12	<u>£ (34,444)</u>	<u>£ (40,396)</u>

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

Approved by the Board on 26/05/98
 Director

ACT PUBLISHING LIMITED

Financial statements for the year ended 31 July 1997

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards and on a going concern basis, based on the continued support of the director.

INVESTMENTS

Fixed asset investments are stated at cost less provision for diminution in value.

STOCK

Stock is valued at the lower of cost and net realisable value. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items.

TURNOVER

Turnover represents the invoiced value, net of Value Added Tax, of goods sold and services provided to customers.

ACT PUBLISHING LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 1997

1. TURNOVER

The company's turnover and profit before taxation were all derived from its principal activity.

2. OTHER OPERATING EXPENSES

	1997	1996
	£	£
Administration expenses	10,230	10,781

3. INVESTMENT INCOME AND
OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	1997	1996
	£	£
Income from listed investments	61	136
Bank interest receivable	283	606

4. EMPLOYEES

The average weekly number of persons (including directors) employed by the company during the year was:

	1997	1996
	No.	No.
Management	2	2

5. TAXATION

There is no liability to corporation tax on the basis of these financial statements.

ACT PUBLISHING LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 1997

6. FIXED ASSET INVESTMENTS

	1997	1996
	£	£
Listed Investments	570	570

Listed Investments comprise Investments listed on the International Stock Exchange and the market value at 31 July 1997 amounted to £1,482 (1996: £1,155).

7. STOCKS

	1997	1996
	£	£
Finished goods and goods for resale	3,858	4,378

8. DEBTORS

	1997	1996
	£	£
Due within one year:		
Trade debtors	1,428	1,796
Other debtors	23,566	-
	24,994	1,796

9. CREDITORS

	1997	1996
	£	£
Amounts falling due within one year:		
Trade creditors	70	2,897
Taxation and social security costs	316	340
Other creditors	69,639	69,539
Accruals and deferred income	1,400	1,250
	71,425	74,026

ACT PUBLISHING LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 1997

10.	SHARE CAPITAL	1997 £	1996 £
	Authorised:		
	100 Ordinary shares of £1 each	100	100
		<u>100</u>	<u>100</u>
	Allotted, issued and fully paid:		
	100 Ordinary shares of £1 each	100	100
		<u>100</u>	<u>100</u>
11.	PROFIT AND LOSS ACCOUNT	1997 £	1996 £
	Balance at 1 August 1996	(40,496)	(39,375)
	Profit/(loss) for the year	5,952	(1,121)
		<u>5,952</u>	<u>(1,121)</u>
	Accumulated losses at 31 July 1997	(34,544)	(40,496)
		<u>(34,544)</u>	<u>(40,496)</u>
12.	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	1997 £	1996 £
	Profit/(loss) for the financial year	5,952	(1,121)
	Opening shareholders' funds	(40,396)	(39,275)
		<u>(40,396)</u>	<u>(39,275)</u>
	Closing shareholders' funds	(34,444)	(40,396)
		<u>(34,444)</u>	<u>(40,396)</u>
13.	TRANSACTIONS WITH DIRECTORS		
	At 31 July 1997 the company owed to Mr SEE Loch, a director, the sum of £68,253.		